

**THE SCHOOL ADMINISTRATOR  
and Uniform Compliance Guidelines  
ISSUED BY THE STATE BOARD OF ACCOUNTS**

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December 1994

ITEMS TO REMEMBER

DECEMBER

- December 1: Prove the Fund Ledger and Ledger of Receipts for the month of November to the control of all funds and reconcile the control with the depository statement. Prove all receipt accounts for each fund to total receipts for that fund. Prove the Ledger of Appropriations, Allotments, Encumbrances, Disbursements, and Balances to the total disbursements of the control account of the Fund Ledger. Prove all expenditure accounts within each program to the total disbursements of that program.
- December 20: Last day to report and make payment of state and county income tax withheld during November to the Department of State Revenue. (Please review Volume 100, December 1987, "The School Administrator")
- December 20: Payment for school aid bonds and coupons due in January must be made to civil townships by school corporations reorganized according to the provision of Chapter 202, Acts of 1959 if the reorganization plan provides for such payments or if the board of school trustees by resolution adopted has provided for such payments. (IC 20-4-1-35)
- December 25: Merry Christmas - Legal Holiday (IC 1-1-9-1)

JANUARY

- January 1: New Year's Day - Legal Holiday (IC 1-1-9-1)
- January 2: Open a Ledger of Appropriations, Allotments, Encumbrances, Disbursements and Balances by recording the appropriations by programs approved by the board of school trustees in the Resolution of Appropriations for the 1995 calendar year unless such appropriations must be reduced pursuant to action taken by the County Board of Tax Adjustment (if applicable) or by the State Board of Tax Commissioners. Record in the expenditure accounts of each program the allotments made by the board of school trustees. Also add

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**JANUARY**  
(Continued)

to the 1994 year's appropriations by programs and to the expenditure accounts by allotments, any encumbered appropriations and allotments of the 1994 calendar year to be carried forward.

- January 3-31: Annual meeting of the school board to organize as board of finance by electing one member as president and one member as secretary for the year. (After the first Monday and on or before the last day of January.) (IC 5-13-7-6)
- January 15: Last day to file Employing Official's Report and pay teacher retirement deductions for the period October 1 to December 31, to State Teachers' Retirement Fund. (IC 21-6.1-7-7) IC 21-6.1-7-9 provides "If the treasurer of a school corporation or the township trustee fails to make the reports as required in section 7 or 8 of this chapter, the school corporation which that officer serves is ineligible to receive any distribution of money from the state for school purposes until reports and payments are received and approved by the board."
- January 16: Martin Luther King's Birthday - Legal Holiday (IC 1-1-9-2)
- January 20: Last day to report and make payment of state and county income tax withheld during December to the Department of State Revenue. (Please review Volume 100, December 1987, "The School Administrator")
- January 31: Last day to file fourth quarter report with the Internal Revenue Service and complete payment of federal tax withheld. Each employee shall be furnished Form W-2.
- January 31: Last day to file form 100-R, Report of Names, Addresses, Duties and Compensation of Officers and Employees, with the State Board of Accounts.

**FEBRUARY**

- February 1: Prove all ledgers for the month ending January 31 as outlined for the month of December.
- February 12: Lincoln's Birthday - Legal Holiday (IC 1-1-9-1)
- February 20: Last day to report and make payment of state and county income tax withheld during January to the Department of State Revenue. (Please review Volume 100, December 1987, of "The School Administrator").

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**FEBRUARY**  
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February 21: Washington's Birthday - Legal Holiday (IC 1-1-9-1)

February 28: Last day to file withholding statements together with Yearly Reconciliation of Employer's Quarterly Tax Returns with Internal Revenue and Indiana Department of State Revenue, respectively.

**SOCIAL SECURITY**

We understand that for 1995 the maximum amount of taxable and creditable annual earnings subject to social security will increase to \$60,600, up from \$57,600 in 1993. No maximum base for Medicare will exist. Rates will remain at the 1992 level at a combined rate of 7.65 percent (both employer and employee for a total of 15.3 percent) representing a 6.20 percent rate for social security and 1.45 percent for Medicare.

**ATTENDANCE OFFICERS**

In a county which has been completely reorganized into one or more school corporations under the provision of IC 20-4-1, the governing body of each school corporation with fifteen hundred (1500) or more pupils in average daily attendance shall appoint an attendance officer, affix and pay funds. In such county the governing body of each school corporation which has less than fifteen hundred (1500) pupils in average daily attendance may appointing an attendance officer; however, if it declines to make such an appointment, the superintendent of the school corporation shall serve as ex officio attendance officer. IC 20-8.1-3-4

The governing bodies of a remainder attendance district with less than fifteen hundred (1500) pupils in average daily attendance may appoint an attendance officer. If the governing bodies have discretion in whether or not to appoint an attendance office and decline to make an appointment, the superintendent or superintendents of the school corporations involved shall serve as ex officio attendance officers. A superintendent acting in this capacity may designate one (1) or more teachers as assistant attendance officers. These assistant attendance officers shall act under the superintendent's direction and perform the duties he assigns. Ex officio attendance officers and assistant attendance officers appointed under the provisions of this paragraph shall receive no additional compensation for performing attendance services. IC 20-8.1-3-7

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**ATTENDANCE OFFICERS**  
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The governing bodies of two or more school corporations may enter into a voluntary mutual agreement for the joint employment of an attendance officer. The agreement shall stipulate the manner in which the joint attendance officer shall be appointed, paid and supervised. The attendance officer may then be appointed, paid and supervised under the terms of the agreement; however, compensation for any attendance officer employed under this paragraph shall be paid entirely by the school corporations involved with no assistance from the civil government. IC 20-8.1-3-8

The governing body of a school corporation which has less than fifteen hundred (1500) pupils in average daily attendance may organize the school corporation as a separate attendance district and appoint an attendance officer. The governing body, in making the appointment, shall appoint an individual nominated by the superintendent; however, it may decline to appoint any nominee and require another nomination. All compensation for an attendance officer appointed under IC 20-8.1-3-9 shall be paid by the treasurer of the school corporation in which he is employed.

Any school corporation, attendance district or remainder attendance district may appoint more attendance officers than are specifically authorized or required herein. These additional attendance officers shall be appointed in the same manner as required by law for other attendance officers. Compensation for additional attendance officers appointed under this paragraph shall be paid entirely by the school corporation or school corporations involved. IC 20-8.1-3-10

For information relating to the duties of attendance officers, see IC 20-8.1-3-11 and for licensing requirements, IC 20-8.1-3-13.

Any school corporation, attendance district or remainder attendance district may appoint more attendance officers than are specifically authorized or required herein. These additional attendance officers shall be appointed in the same manner as required by law for other attendance officers. Compensation for additional attendance officers appointed under this paragraph shall be paid entirely by the school corporation or school corporations involved. IC 20-8.1-3-10

For information relating to the duties of attendance officers, see IC 20-8.1-3-11 and for licensing requirements, IC 20-8.1-3-13.

For information concerning unreorganized school corporations, see IC 20-8.1-3-5; IC 20-8.1-3-6; and IC 20-8.1-3-6.1

**GOVERNING BODY**

We understand members of the City-County Council in Marion County effective January 1, 1994 receive one hundred twelve dollars (\$112) for regular meetings and sixty two dollars (\$62) for committee meetings.

The powers and duties of the governing body include signing of contracts on behalf of the school corporation. IC 20-5-3-8 authorized the president and secretary of the governing body of any school corporation to

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**GOVERNING BODY**  
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sign any contract on behalf of the school corporation. These contracts may include, but are not limited to, employment contracts and contracts for goods and services; however, each contract must be approved by a majority of the governing body. In the absence of either the president or secretary of the governing body, the vice-president is entitled to sign the contracts with the officer who is present.

IC 20-5-3-9 provides that no person otherwise eligible to assume office as a member of a governing body shall be disqualified on the basis of age, if he is at least twenty-one (21) years of age.

Property ownership shall not be a qualification for serving as a member of a governing body, IC 20-5-3-10.

**FREE TEXTBOOKS**

Indiana Code 20-10.1-11-2 provides that if a petition signed by at least fifty-one percent (51%) of the registered voters of the school corporation requesting the establishment of an elementary school library is filed with the governing body of the school corporation, that body shall provide a library containing textbooks in sufficient numbers to meet the needs of every resident student in each of the eight (8) grades of each elementary school in the corporation. IC 20-10.1-11-1 defines such library as one of free textbooks that have been adopted by the state board of education (textbook adoption committee) selected by the proper local officials. Resident student is defined as a student enrolled in any of the grades in any school located in the school corporation whether actually resident there or transferred in there for school purposes as provided in the transfer laws.

If a governing body has previously established an elementary school library as provided above and a petition similarly requesting establishment of a high school library is filed with that governing body, that body shall provide a library containing textbooks in sufficient numbers to meet the needs of every resident student in each of the four (4) grades of each high school. The petition for high school must be signed by at least twenty percent (20%) of the voters of the school corporation as determined by the total vote cast at the last general election for the trustee of the township, clerk of the town, or mayor of the city.

Other sections of IC 20-10.1-11, provide the qualifications of the petitions, duty of the school corporation in relation to providing the

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FREE TEXTBOOKS  
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textbooks, final dates for filing petitions and providing appropriations for purchase of the textbooks, their purchase and the availability to students. Many other details for the program are outlined in later sections of this same chapter of the Code.

CONTRACTS WITH TEACHERS

Indiana's minimum salary schedules for its public school teachers may be found in IC 20-6.1-5-1. The computation of the minimum salary shall be made each school year on the basis of the teacher's training, experience, and degree, completed as of the first day of service. If a teacher is licensed by the commission on the first day of service in the current school year or on another date as agreed by the school employer and the exclusive representative under (IC 20-7.5, the collective bargaining law for teachers), the contractual salary of the public school teacher shall not be less than the amount scheduled in IC 20-6.1-5-1. Provision for certain adjustments to the schedules may be found in IC 20-6.1-5-2.

PURCHASES OF COMPUTER HARDWARE AND SOFTWARE

The purchase of a computer system (hardware and software) is subject to the Public Purchases Law (IC 36-1-9) unless the following criteria apply:

1. If the software purchase is the initial purchase or lease of software and that software:
  - (A) May be procured directly from the software's developer; and
  - (B) Is the only available software application that will satisfy the political subdivision's or agency's demonstrated need. [IC 36-1-9-1(h)]
2. The purchase of additional hardware or software that will supplement an existing mainframe computer system or mini-mainframe computer system of a political subdivision or an agency if:
  - (A) The existing computer system was purchased through a competitive bidding procedure;
  - (B) The additional hardware or software:
    - (1) May only be procured directly from the developer or manufacturer of the software or hardware; and

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PURCHASES OF COMPUTER HARDWARE AND SOFTWARE

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- (2) Is the only software or hardware that will satisfy the demonstrated needs of the political subdivision or agency; and
- (C) The existence of both conditions described in subdivision (B) is recorded in the minutes of the legislative body of the political subdivision or governing body of the agency, if any. [IC 36-1-9-1(i)]

The exemption from the coverage of IC 36-1-9 that is provided in IC 36-1-9-1(i) does not apply to the purchase of peripheral hardware which includes printers and terminals. [IC 36-1-9-1(j)]

SCHOOL FOOD AND NUTRITION PROGRAMS

Effective January, 1995, please begin using the following receipt accounts for which detail is available from the S.L. Forms:

Student Breakfast	1611	
Student Lunch	1612	
Student After School Supplement		1613
Student Ala Cart	1614	
Adult Breakfast	1621	
Adult Lunch	1622	
Adult After School Supplement	1623	
Adult Ala Cart	1624	

The following might apply in unusual situations as in the Chart of Accounts and Accounting Manual for Indiana School Corporations:

Welfare Breakfast	1631
Welfare Lunch	1632
Welfare After School Supplement	1633
Welfare Ala Cart	1634

DEPARTMENT FOR FOOD AND NUTRITION SERVICE PROGRAMS

Please be aware of the attached from the Regional Director of Child Nutrition Programs.



United States  
Department of  
Agriculture

Food and  
Nutrition  
Service

Midwest  
Region

77 W. Jackson Blvd - 20th Floor  
Chicago, IL 60604-3507

Ms. Sheila Elam  
Indianapolis, IN---SA

Reply to  
Attn of: MWCN-100: NT-7

RECEIVED

SEP 12 1994

SEP 14 1994

DEPT. OF EDUCATION  
SNP

**Subject:** Notice of Debarment from Food and Nutrition Service (FNS)  
Programs

**To:** State Directors  
Child Nutrition Programs


Attached is a copy of the letter from FNS to Prairie Farms Dairy, Inc., of Carlinville, Illinois which debars that company's Fort Wayne Division from engaging in contracts in the Child Nutrition Programs, as well as all Federal nonprocurement programs government-wide. The Fort Wayne Division is known as Allen Dairy Products, Inc.

For States with **school** food authorities (**SFA**) in Allen Dairy, Inc., service area, we are asking that you inform those **SFAs** of the debarment. At this time, it appears that only Illinois and Indiana may be affected by this matter but we are sharing this material with all States for information purposes.

Below is additional clarification on this matter:

- Only Allen Dairy Products, Inc., (Fort Wayne Division of Prairie Farms Dairy, Inc.) is debarred from federal programs.
- Other Prairie Farms Dairy, Inc., divisions may enter into contracts with **SFAs**. However, **SFAs** may be informed that Prairie Farms Dairy, Inc., itself has been indicted (see attached press release).
- Current contracts between **SFAs** and Allen Dairy Products, Inc., may continue for school year (**SY**) 1994-95 if they have already been executed prior to the debarment date of August 26, 1994.
- **SFAs** may not enter into new contracts with Allen Dairy Products, Inc.
- **SFAs** may not renew current contracts with Allen Dairy Products, Inc. (i.e., SY 94-95 contracts that are already in place may continue but cannot be renewed in SY 95-96).
- In the past, the **service** area for Allen Dairy Products, Inc., has included the following counties in northeast Indiana: Allen, Dekalb, Elkhart, Kosciusko, LaGrange, Noble, St. Joseph, Stuben and Whitley.

In addition, we have attached a copy of the Department of Justice's May 18, 1994 press release. The press release provides information on the Prairie Farms Dairy, Inc., indictment by the Department of Justice. Again, at this time Prairie Farms Dairy, Inc., is **not debarred** from engaging in contracts. We will provide you with information on further developments in this case as soon as it becomes available.

  
THERESA E. BOWMAN  
Regional Director  
Child Nutrition Programs

Attachments





*Spills  
fixed ✓*

RECEIVED

NOV 03 1994

DEPT OF AGRICULTURE  
427

MWCH-110: NT 7

Ms. Sheila Elam, Director  
Division of School and  
Community Nutrition Programs  
Indiana Department of Education  
State House - Room 229  
Indianapolis, IN 46204-2798

NOV 07 1994

Dear Ms. Elam:

This is in response to your letter dated October 20, 1994 which requested guidance for school food authorities (SFAs) which entered into verbal agreements with Allen Dairy. It is based on our telephone calls with you held on October 31 and November 4, 1994.

Allen Dairy was recently debarred by FNS. As noted in our March 4, 1991 memorandum, subject: Food and Nutrition Service's Debarment and Suspension Activities, a SFA is prohibited from contracting with a company or individual that has been debarred or suspended. It is important to note that this prohibition does not extend to contracts in existence at the time of the debarment/suspension or to most contracts under \$25,000. Rather, it applies to new contracts and extensions or renewals of existing contracts of \$25,000 or more. Nonprocurement debarment and suspension regulations are found in 7 CFR Part 3017.

SFAs which have entered into a verbal agreement with an aggregate value of more than \$25,000 with Allen Dairy must terminate the agreement. These SFAs must immediately inform Allen Dairy of their intent to terminate their current verbal agreement. We recommend that this action be done in writing. It is suggested that the effective date of termination be 30 days from the date of notification or until such time as an acceptable bid is received from an alternative dairy.

SFAs which have entered into a verbal agreement with an aggregate value of \$25,000 or less with Allen Dairy may continue to operate under the agreement.

However, it would be advisable to remind SFAs that sound business practice encourages the utilization of written agreements, regardless of the dollar value of the contract. If a SFA as Procuring goods or services under \$10,000 in aggregate value, at least three known suppliers of the product or service should be contacted to obtain competitive price quotations. All procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value must be conducted in a manner that provides maximum open and free competition.

If you have any further questions please do not hesitate to contact me.

Sincerely,

*[Signature]*  
THERESA E. BOWMAN  
Regional Director  
Child Nutrition Programs